



COUNTY OF LOS ANGELES
DEPARTMENT OF PARKS AND RECREATION
"Creating Community Through People, Parks and Programs"



Tim Gallagher, Director

April 20, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF 2003-04 TICKET SURCHARGE FUNDED DEFERRED
MAINTENANCE AND FACILITY OPERATIONS PROGRAM
AT THE HOLLYWOOD BOWL
(THIRD DISTRICT - 3 - VOTE MATTER)**

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed expenditures are categorically exempt from the California Environmental Quality Act or have been covered under previous environmental documentation actions.
2. Approve the Los Angeles Philharmonic Association's 2003-04 Ticket Surcharge Funded Deferred Maintenance and Facility Operations Program, in the amount of \$1,355,910, which is funded from the five percent (5%) surcharge on Hollywood Bowl tickets and carry-over funds from previous years that have been deposited into the Los Angeles Philharmonic Association's Improvement Fund (the Improvement Fund).
3. Delegate to the Director of the Department of Parks and Recreation (DPR) the authority to approve a maximum of \$15,000 from the Improvement Fund for unanticipated similar expenditures during the Hollywood Bowl season.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Since 1987, the Los Angeles Philharmonic Association has maintained the Improvement Fund utilizing a surcharge on certain admissions at the Hollywood Bowl. The Fund is a means of funding repairs, maintenance and fixed asset acquisition for the Hollywood Bowl complex as well as the operation of the Hollywood Bowl Museum. Expenditures from the Improvement Fund require Board approval.

The Los Angeles Philharmonic Association has identified its operation, maintenance, and repair priorities to be funded by the ticket surcharge collected in 2003 and by prior year carry-over funding and is requesting your Board's approval of those priorities, as follows:

- A. Maintain funding for Garden/Terrace Box and table repairs, and the West Gate widening project allocation, from prior years' remaining fund balance for estimated cost of \$59,141.
- B. Transfer \$800,000 to the Department of Parks and Recreation (DPR) to help offset County operating expenses at the Hollywood Bowl, in accordance with the August 8, 2000 Memorandum of Understanding (MOU).
- C. Fund the operation of the Hollywood Bowl Museum at an estimated cost of \$136,972 to provide the public a historical perspective on this important cultural facility, which is available to the public free of charge.
- D. Fund the Museum Interpretive Program at an estimated cost of \$31,000 to provide interactive equipment, displays, and programs.
- E. Fund the renovation of the Hollywood Bowl telephone ticket sales switch room for an estimated cost of \$2,500.
- F. Fund the repair of directors' chairs, prom matting, turnstiles, barricades, kiosk improvements, signage, and painting and maintenance supplies at an estimated cost of \$195,797.
- G. Fund the acquisition of a stage and artist area security system, ten radios, ten batteries and two radio base units at an estimated cost of \$50,500.
- H. Fund the retrofit and reinstallation of the pyrotechnic system at an estimated cost of \$40,000.

Fund the repair of the sound wall at the 4th Promenade at an estimated cost of \$25,000.

In addition, it is recommended that your Board authorize the Director of DPR to expend a maximum of \$15,000 from the Improvement Fund for unanticipated expenses such as minor facility improvements/repairs and/or equipment purchases that may be required during the Bowl season and are exempt from CEQA.

The proposed projects will provide for general facility maintenance, operations, and improvements that are needed to address health and safety issues and enhance the Hollywood Bowl's image.

The total funding available in the Improvement Fund is \$1,355,910, which includes the five percent (5%) surcharge from 2003 ticket sales in the amount of \$1,271,207 and carry-over from prior years in the amount of \$84,703. DPR supports the expenditures proposed by the Los Angeles Philharmonic Association and recommends Board approval in order to complete certain projects prior to the 2004 summer season.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The recommended action is consistent with the County Strategic Plan Goals of Service Excellence and Fiscal Responsibility. The proposed projects will invest in public infrastructure and will provide facilities and services that are beneficial to the community.

FISCAL IMPACT/FINANCING

DPR does not anticipate an increase in operating costs upon completion of the proposed projects.

DPR's Fiscal Year 2003-04 budget includes appropriation of approximately \$1.57 million for supervision, construction and grounds maintenance services at the Hollywood Bowl. These costs are partially offset by revenues to DPR which include \$800,000 from the ticket surcharge pursuant to the current memorandum of understanding (MOU) and approximately \$500,000 of parking revenues. DPR's Fiscal Year 2003-04 budget anticipates the receipt of these revenues, and the balance of approximately \$270,000 is funded within DPR's budget allocation of net County cost.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On February 10, 1987, your Board approved the Los Angeles Philharmonic Association's request to establish an Improvement Fund (Fund) utilizing a surcharge on admissions to be used exclusively at the Hollywood Bowl complex until 1996-97. On April 1, 1997, your Board approved a motion authorizing the Director of Parks and Recreation to negotiate a three-year MOU with the Los Angeles Philharmonic Association with the intent of reducing the County's cost to operate the Hollywood Bowl on an on-going basis. On August 8, 2000, your Board approved an MOU, which guarantees the County \$800,000 annually from the ticket surcharges to offset costs of operating the Hollywood Bowl through Fiscal Year 2005-06.

The Fund has proven to be an effective means of funding some deferred maintenance and equipment costs. The Fund has also assisted in financing the operation of the Hollywood Bowl Museum and offsetting some of DPR's maintenance costs.

ENVIRONMENTAL DOCUMENTATION

The projects described herein are either categorically exempt under one or more of the exemptions set out in the State of California Environmental Quality Act (CEQA) Guidelines Sections 15301(d), 15302 (c), 15303, 15304, 15323 and Classes 1 (c), 2 (e), 3, 4, 11 and 23 of the County's Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987, or have previously been covered by one of the following specific environmental documents: the Notice of Exemption relating to ongoing operations and maintenance projects (Dec 22, 1998), the Focused Environmental Impact Report for the Hollywood Bowl Shell Rehabilitation Project (September 12, 2000) or by the Addendum to the Mitigated Negative Declaration for Renovations to the Hollywood Bowl Food and Beverage Facilities (October 1 , 2003).

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The repair projects identified will be done prior to the Hollywood Bowl's summer season and, therefore, there will be no impact on current services.

CONCLUSION

Please instruct the Executive Officer-Clerk of the Board to forward three conformed copies of this letter to the Department of Parks and Recreation for filing and for transmittal to the Los Angeles Philharmonic Association.

Respectfully submitted,



Tim Gallagher
Director

- c: Chief Administrative Officer
- County Counsel
- Auditor-Controller
- Executive Office (30)